

INTERNAL SERVICE FUNDS

The **Fleets and Facilities Fund** accounts for support services to other City departments in the areas of vehicle purchases and motor pool maintenance and repairs; building and related facility operations and maintenance; architecture, engineering, and space planning; design, print, and copy resources; and real estate management.

The **Information Technology Fund** accounts for support services provided by the Department of Information Technology to other City departments. The services include managing the City's information technology resources, including Citywide telecommunications, data communications, and the physical infrastructure that supports it; the City's telephone system, radio system, and fiber optic network; Citywide application infrastructure; and interactive media services.

The **Engineering Services Fund** accounts for the design, construction, and management services performed for capital improvement projects of other City departments and other entities.

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COMBINING STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

December 31, 2004

(In Thousands)

	Fleets and Facilities	Information Technology	Engineering Services	Comparative Totals	
				2004	2003
ASSETS					
Current Assets					
Cash and Equity in Pooled Investments	\$ 21,501	\$ 21,143	\$ 340	\$ 42,984	\$ 42,683
Receivables, Net of Allowances					
Accounts	55	21	9	85	83
Unbilled	-	-	5	5	7
Due from Other Funds	3,692	1,484	325	5,501	8,517
Due from Other Governments	263	2,527	41	2,831	3,596
Materials and Supplies Inventory	1,581	481	-	2,062	1,986
Prepayments and Other	-	-	-	-	2
Total Current Assets	27,092	25,656	720	53,468	56,874
Noncurrent Assets					
Restricted Cash and Equity in Pooled Investments	5	-	-	5	63
Capital Assets					
Land and Land Rights	81	-	-	81	81
Buildings and Improvements	2,528	-	-	2,528	3,086
Less Accumulated Depreciation	(660)	-	-	(660)	(61)
Machinery and Equipment	118,585	24,583	3,790	146,958	143,755
Less Accumulated Depreciation	(59,991)	(16,254)	(3,708)	(79,953)	(78,653)
Construction in Progress	247	3,224	-	3,471	3,631
Total Noncurrent Assets	60,795	11,553	82	72,430	71,902
Total Assets	87,887	37,209	802	125,898	128,776
LIABILITIES					
Current Liabilities					
Accounts Payable	2,413	1,370	183	3,966	3,830
Salaries, Benefits, and Payroll Taxes Payable	878	731	353	1,962	1,664
Contracts Payable	13	35	-	48	97
Due to Other Funds	1,058	400	44	1,502	4,587
Interest Payable	5	74	-	79	103
Taxes Payable	20	3	(2)	21	1
Current Portion of Long-Term Debt					
General Obligation Bonds Due Within One Year	200	750	-	950	1,101
Contracts Payable	-	348	-	348	246
Claims Payable	379	18	55	452	473
Compensated Absences Payable	122	136	50	308	274
Deferred Credits	-	-	-	-	115
Total Current Liabilities	5,088	3,865	683	9,636	12,491
Noncurrent Liabilities					
Advances from Other Funds	-	-	4,600	4,600	5,200
Compensated Absences Payable	1,500	1,034	456	2,990	2,878
Claims Payable	783	37	240	1,060	990
Vendor and Other Deposits Payable	5	-	-	5	63
General Obligation Bonds, Due Serially	200	3,205	-	3,405	4,506
Less Bonds Due Within One Year	(200)	(750)	-	(950)	(1,101)
Bond Discount and Premium	-	110	-	110	141
Contracts Payable	-	743	-	743	810
Other Noncurrent Liabilities	37	799	-	836	1,178
Total Noncurrent Liabilities	2,325	5,178	5,296	12,799	14,665
Total Liabilities	7,413	9,043	5,979	22,435	27,156
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	60,591	8,238	82	68,911	67,192
Unrestricted	19,885	19,927	(5,259)	34,553	34,428
Total Net Assets	\$ 80,476	\$ 28,165	\$ (5,177)	\$ 103,464	\$ 101,620

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**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2004
(In Thousands)**

	Fleets and Facilities	Information Technology	Engineering Services	Comparative Totals	
				2004	2003
OPERATING REVENUES					
Charges for Services	\$ 19,530	\$ 25,798	\$ 7,128	\$ 52,456	\$ 53,409
Rents, Parking, and Concessions	43,079	-	-	43,079	42,966
Total Operating Revenues	62,609	25,798	7,128	95,535	96,375
OPERATING EXPENSES					
Operations and Maintenance	44,918	24,615	-	69,533	67,303
Engineering Services	-	-	5,747	5,747	7,549
General and Administrative	4,135	3,422	607	8,164	7,354
City Business and Occupation Taxes	20	-	-	20	12
Other Taxes	196	10	-	206	213
Depreciation and Amortization	10,334	2,630	66	13,030	13,035
Total Operating Expenses	59,603	30,677	6,420	96,700	95,466
Operating Income (Loss)	3,006	(4,879)	708	(1,165)	909
NONOPERATING REVENUES (EXPENSES)					
Investment and Interest Income	361	299	(2)	658	960
Interest Expense	(21)	(190)	-	(211)	(286)
Amortization of Debt Costs	-	-	-	-	(7)
Gain (Loss) on Sale of Capital Assets	(103)	(5)	-	(108)	(830)
Others, Net	114	303	2	419	520
Total Nonoperating Revenues (Expenses)	351	407	-	758	357
Income (Loss) Before Contributions, Grants, and Transfers	3,357	(4,472)	708	(407)	1,266
Operating Contributions and Grants	100	741	-	841	110
Transfers In	2,036	5,967	-	8,003	9,141
Transfers Out	(6,593)	-	-	(6,593)	(4,104)
Change in Net Assets	(1,100)	2,236	708	1,844	6,413
Total Net Assets -Beginning of Year	81,576	25,929	(5,885)	101,620	95,207
Total Net Assets - End of Year	\$ 80,476	\$ 28,165	\$ (5,177)	\$ 103,464	\$ 101,620

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COMBINING STATEMENT OF CASH FLOWS

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INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2004

(In Thousands)

	Fleets and Facilities	Information Technology	Engineering Services	Comparative Totals	
				2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 63,649	\$ 28,173	\$ 7,295	\$ 99,117	\$ 96,440
Cash Paid to Suppliers	(28,901)	(12,872)	(9,288)	(51,061)	(33,612)
Cash Paid to Employees	(22,014)	(15,759)	2,833	(34,940)	(45,741)
Cash Paid for Taxes	(196)	(6)	(3)	(205)	(19)
Net Cash from Operating Activities	12,538	(464)	837	12,911	17,068
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Proceeds of Interfund Advances	-	-	-	-	5,200
Payment of Interfund Advances	-	-	(600)	(600)	(5,950)
Interest Paid on Interfund Advances	-	-	-	-	-
Operating Grants and Contributions Received	100	741	-	841	109
Transfers In	2,036	5,967	-	8,003	9,142
Transfers Out	(6,593)	-	-	(6,593)	(4,105)
Net Cash from Noncapital Financing Activities	(4,457)	6,708	(600)	1,651	4,396
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal Payments on Long-Term Debt	(386)	(715)	-	(1,101)	(1,466)
Capital Fees and Grants Received	-	-	-	-	-
Capital Expenditures and Deferred Charges Paid	(10,335)	(3,248)	(33)	(13,616)	(16,501)
Interest Paid on Long-Term Debt	(29)	(237)	-	(266)	(318)
Other	11	(5)	-	6	-
Net Cash from Capital and Related Financing Activities	(10,739)	(4,205)	(33)	(14,977)	(18,285)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and Investment Income Received	361	299	(2)	658	960
Net Increase (Decrease) in Cash and Equity in Pooled Investments	(2,297)	2,338	202	243	4,139
CASH AND EQUITY IN POOLED INVESTMENTS					
Beginning of Year	23,803	18,805	138	42,746	38,607
End of Year	\$ 21,506	\$ 21,143	\$ 340	\$ 42,989	\$ 42,746
CASH AT THE END OF THE YEAR CONSISTS OF					
Current Assets Cash and Equity in Pooled Investments	\$ 21,501	\$ 21,143	\$ 340	\$ 42,984	\$ 42,683
Restricted Cash and Equity in Pooled Investments	5	-	-	5	63
Total Cash at the End of the Year	\$ 21,506	\$ 21,143	\$ 340	\$ 42,989	\$ 42,746

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COMBINING STATEMENT OF CASH FLOWS

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INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2004

(In Thousands)

	Fleets and Facilities	Information Technology	Engineering Services	Comparative Totals	
				2004	2003
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 3,006	\$ (4,878)	\$ 708	\$ (1,164)	\$ 742
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities					
Depreciation and Amortization	10,334	2,630	66	13,030	13,035
Changes in Operating Assets and Liabilities					
Accounts Receivable	8	(15)	5	(2)	132
Unbilled Receivables	-	-	2	2	31
Due from Other Funds	945	1,773	179	2,897	(257)
Due from Other Governments	166	617	(19)	764	797
Materials and Supplies Inventory	83	(158)	-	(75)	75
Accounts Payable	692	(597)	40	135	(2,616)
Salaries, Benefits, and Payroll Taxes Payable	78	169	49	296	175
Compensated Absences Payable	19	97	28	144	105
Due to Other Funds	(2,692)	(88)	(185)	(2,965)	2,187
Claims Payable	86	(11)	(25)	50	512
Contracts Payable	(84)	-	-	(84)	262
Taxes Payable	-	3	(3)	-	1
Deferred Credits	(78)	-	-	(78)	43
Other Assets and Liabilities	(25)	(6)	(8)	(39)	1,844
Total Adjustments	9,532	4,414	129	14,075	16,326
Net Cash from Operating Activities	\$ 12,538	\$ (464)	\$ 837	\$ 12,911	\$ 17,068